

SENATE BILL NO. 516

INTRODUCED BY GILLAN, WAITSCHIES, A. OLSON

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING CERTAIN TAX APPEAL AND DISPUTE RESOLUTION PROCEDURES; ~~REQUIRING THE DEPARTMENT OF REVENUE TO RESOLVE TAXPAYER DISPUTES WITHIN 30 60 DAYS OF REFERRAL OF THE DISPUTE TO THE DISPUTE RESOLUTION OFFICE;~~ REQUIRING THE STATE TAX APPEAL BOARD TO PROVIDE NOTICE TO ALL INTERESTED PARTIES WITHIN 15 DAYS OF APPEAL OF A COUNTY TAX APPEAL BOARD DECISION; REVISING THE PROVISIONS RELATED TO A DIRECT APPEAL FROM A DEPARTMENT OF REVENUE DECISION TO THE STATE TAX APPEAL BOARD; ALLOWING ~~CERTAIN~~ TAXPAYERS WHO OWN INDUSTRIAL PROPERTY ~~IN MORE THAN ONE COUNTY~~ A DIRECT APPEAL TO THE STATE TAX APPEAL BOARD; REQUIRING THE STATE TAX APPEAL BOARD TO HOLD A HEARING ON CERTAIN PROPERTY TAX APPEALS WITHIN 1 YEAR AFTER RECEIVING A DIRECT APPEAL; ALLOWING THE TAXPAYER OR THE DEPARTMENT OF REVENUE TO REQUEST AN EXTENSION OF TIME FOR THE HEARING; PROVIDING FOR MEDIATION OF A TAX DISPUTE; REQUIRING THE STATE TAX APPEAL BOARD TO RENDER A DECISION WITH ~~90~~ 120 DAYS OF ANY TAX APPEAL HEARING; PROVIDING FOR ADDITIONAL PENALTY OR REFUNDS UNDER CERTAIN CONDITIONS UPON FINAL RESOLUTION OF A PROPERTY TAX APPEAL; REQUIRING THE STATE TO PAY THE ADDITIONAL REFUND; ~~REVISING THE PROVISIONS RELATED TO A PETITION FOR INTERLOCUTORY ADJUDICATION;~~ AMENDING SECTIONS 15-1-211, 15-1-402, 15-2-301, 15-2-302, AND ~~15-2-304~~ 15-15-101, MCA; AND PROVIDING AN EFFECTIVE DATE AND AN APPLICABILITY DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 15-1-211, MCA, is amended to read:

"15-1-211. Uniform dispute review procedure -- notice -- appeal. (1) The department shall provide a uniform review procedure for all persons or other entities, except as provided in subsection (1)(a).

(a) The department's dispute review procedure must be adopted by administrative rule and applies to all matters administered by the department and to all issues arising from the administration of the department, except estate taxes, property taxes, ~~except as provided in 15-2-302(1)(b),~~ and the issue of whether an employer-employee relationship existed between the person or other entity and individuals subjecting the person

1 or other entity to the requirements of chapter 30, part 2, or whether the employment relationship was that of an
2 independent contractor. The procedure applies to assessments of centrally assessed property taxed pursuant
3 to chapter 23 AND, FOR THE PURPOSES OF SUBSECTION (7), TO PROPERTY CLASSIFIED AS INDUSTRIAL PROPERTY BY THE
4 DEPARTMENT.

5 (b) (i) The term "other entity", as used in this section, includes all businesses, corporations, and similar
6 enterprises.

7 (ii) The term "person" as used in this section includes all individuals.

8 (2) (a) Persons or other entities having a dispute with the department have the right to have the dispute
9 resolved by appropriate means, including consideration of alternative dispute resolution procedures such as
10 mediation.

11 (b) The department shall establish a dispute resolution office to resolve disputes between the
12 department and persons or other entities.

13 (c) Disputes must be resolved by a final department decision within ~~180~~ 30 180 days of the referral to
14 the dispute resolution office, unless extended by mutual consent of the parties. If a final department decision
15 is not issued within the required time period, the remedy is an appeal to the appropriate forum as provided by
16 law.

17 (3) (a) The department shall provide written notice to a person or other entity advising them of a dispute
18 over matters administered by the department.

19 (b) The person or other entity shall have the opportunity to resolve the dispute with the department
20 employee who is responsible for the notice, as indicated on the notice.

21 (c) If the dispute cannot be resolved, either the department or the other party may refer the dispute to
22 the dispute resolution office.

23 (d) The notice must advise the person or other entity of ~~their~~ the opportunity to resolve the dispute with
24 the person responsible for the notice and ~~their~~ the right of the person or other entity to refer the dispute to the
25 dispute resolution office.

26 (4) Written notice must be sent to the persons or other entities involved in a dispute with the department
27 indicating that the matter has been referred to the dispute resolution office. The written notice must include:

28 (a) a summary of the department's position regarding the dispute;

29 (b) an explanation of the right to the resolution of the dispute with a clear description of all procedures
30 and options available;

(c) the right to obtain a final department decision within ~~40~~ 30 ~~60~~ days of the date that the dispute was referred to the dispute resolution office;

(d) the right to appeal should the department fail to meet the required deadline for issuing a final department decision; ~~and~~

(e) the right to have either the person involved or the department consider alternative dispute resolution methods, including mediation; AND

(F) A STATEMENT THAT IF BOTH PARTIES AGREE TO MEDIATION, THE COST OF MEDIATION MUST BE SHARED EQUALLY.

(5) The department shall:

(a) develop guidelines that must be followed by employees of the department in dispute resolution matters;

(b) develop policies concerning the authority of an employee to resolve disputes; and

(c) establish procedures for reviewing and approving disputes resolved by an employee or the dispute resolution office.

(6) (a) (i) The director of revenue or the director's designee is authorized to enter into an agreement with a person or other entity relating to a matter administered by the department.

(ii) The director or the director's designee has no authority to bind a future legislature through the terms of an agreement.

(b) Subject to subsection (6)(a)(ii), an agreement under the provisions of subsection (6)(a)(i) is final and conclusive, and, except upon a showing of fraud, malfeasance, or misrepresentation of a material fact:

(i) the agreement may not be reopened as to matters agreed upon or be modified by any officer, employee, or agent of this state; and

(ii) in any suit, action, or proceeding under the agreement or any determination, assessment, collection, payment, abatement, refund, or credit made in accordance with the agreement, the agreement may not be annulled, modified, set aside, or disregarded.

(7) THE DEPARTMENT AND THE OWNER OF CENTRALLY ASSESSED PROPERTY OR INDUSTRIAL PROPERTY SHALL ENTER INTO MEDIATION REGARDING ANY DISPUTE WITH THE DEPARTMENT. MEDIATION OF THE DISPUTE MAY NOT EXCEED 60 DAYS. IF THE DISPUTE IS NOT RESOLVED WITHIN 60 DAYS, THE DEPARTMENT SHALL ISSUE ITS FINAL DECISION."

Section 2. Section 15-1-402, MCA, is amended to read:

"15-1-402. Payment of taxes under protest. (1) The person upon whom a property tax or fee is being

imposed under this title may, before the property tax or fee becomes delinquent, pay under written protest that portion of the property tax or fee protested. The protested payment must:

(a) be made to the officer designated and authorized to collect it;

(b) specify the grounds of protest; and

(c) not exceed the difference between the payment for the immediately preceding tax year and the amount owing in the tax year protested unless a different amount results from the specified grounds of protest, which may include but are not limited to changes in assessment due to reappraisal under 15-7-111.

(2) A person appealing a property tax or fee pursuant to chapter 2 or 15 shall pay the tax or fee under protest when due in order to receive a refund. If the tax or fee is not paid under protest when due, the appeal may continue but a tax or fee may not be refunded as a result of the appeal.

(3) If a protested property tax or fee is payable in installments, a subsequent installment portion considered unlawful by the state tax appeal board need not be paid and an action or suit need not be commenced to recover the subsequent installment. The determination of the action or suit commenced to recover the first installment portion paid under protest determines the right of the party paying the subsequent installment to have it or any part of it refunded to the party or the right of the taxing authority to collect a subsequent installment not paid by the taxpayer plus interest from the date the subsequent installment was due.

(4) (a) Except as provided in subsection (4)(b), all property taxes and fees paid under protest to a county or municipality must be deposited by the treasurer of the county or municipality to the credit of a special fund to be designated as a protest fund and must be retained in the protest fund until the final determination of any action or suit to recover the taxes and fees unless they are released at the request of the county, municipality, or other local taxing jurisdiction pursuant to subsection (5). This section does not prohibit the investment of the money of this fund in the state unified investment program or in any manner provided in Title 7, chapter 6. The provision creating the special protest fund does not apply to any payments made under protest directly to the state.

(b) (i) Property taxes that are levied by the state against property that is centrally assessed pursuant to 15-23-101 must be remitted by the county treasurer to the state treasurer.

(ii) The state treasurer shall deposit that portion of the funds levied pursuant to 15-10-107 in the state special revenue fund. The remainder of the funds must be deposited in the state general fund.

(5) (a) Except as provided in subsection (5)(b), the governing body of a taxing jurisdiction affected by

1 the payment of taxes under protest in the second and subsequent years that a tax protest remains unresolved
2 may demand that the treasurer of the county or municipality pay the requesting taxing jurisdiction all or a portion
3 of the protest payments to which it is entitled, except the amount paid by the taxpayer in the first year of the
4 protest. The decision in a previous year of a taxing jurisdiction to leave protested taxes in the protest fund does
5 not preclude it from demanding in a subsequent year any or all of the payments to which it is entitled, except the
6 first-year protest amount.

7 (b) The governing body of a taxing jurisdiction affected by the payment of taxes under protest on
8 property that is centrally assessed pursuant to 15-23-101 in the first and subsequent years that a tax protest
9 remains unresolved may demand that the treasurer of the county or municipality pay the requesting taxing
10 jurisdiction all or a portion of the protest payments to which it is entitled. The decision in a previous year of a
11 taxing jurisdiction to leave protested taxes of centrally assessed property in the protest fund does not preclude
12 it from demanding in a subsequent year any or all of the payments to which it is entitled.

13 (6) (a) If action before the county tax appeal board, state tax appeal board, or district court is not
14 commenced within the time specified or if the action is commenced and finally determined in favor of the
15 department of revenue, county, municipality, or treasurer of the county or the municipality, the amount of the
16 protested portions of the property tax or fee must be taken from the protest fund and deposited to the credit of
17 the fund or funds to which the property tax belongs, less a pro rata deduction for the costs of administration of
18 the protest fund and related expenses charged to the local government units.

19 (b) (i) Subject to the provisions of subsections (8) and (9), if the action is finally determined adversely
20 to the governmental entity levying the tax, then the treasurer of the municipality, county, or state entity levying
21 the tax shall, upon receipt of a certified copy of the final judgment in the action and upon expiration of the time
22 set forth for appeal of the final judgment, refund to the person in whose favor the judgment is rendered the
23 amount of the protested portions of the property tax or fee that the person holding the judgment is entitled to
24 recover, together with interest from the date of payment under protest.

25 (ii) The taxing jurisdiction shall pay interest at the rate of interest earned by the pooled investment fund
26 provided for in 17-6-203 for the applicable period.

27 (c) If the amount retained in the protest fund is insufficient to pay all sums due the taxpayer, the
28 treasurer shall apply the available amount first to tax repayment, then to interest owed, and lastly to costs.

29 (d) (i) If the protest action is decided adversely to a taxing jurisdiction and the amount retained in the
30 protest fund is insufficient to refund the tax payments and costs to which the taxpayer is entitled and for which

1 local government units are responsible, the treasurer shall bill and the taxing jurisdiction shall refund to the
2 treasurer that portion of the taxpayer refund, including tax payments and costs, for which the taxing jurisdiction
3 is proratably responsible. The treasurer is not responsible for the amount required to be refunded by the state
4 treasurer as provided in subsection (6)(b).

5 (ii) For an adverse protest action against the state for centrally assessed property, the state treasurer
6 shall refund the amount of protested taxes and interest as required in subsection (6)(b).

7 (e) In satisfying the requirements of subsection (6)(d), the taxing jurisdiction, including the state, is
8 allowed not more than 1 year from the beginning of the fiscal year following a final resolution of the protest. The
9 taxpayer is entitled to interest on the unpaid balance at the rate referred to in subsection (6)(b) from the date of
10 payment under protest until the date of final resolution of the protest and at the combined rate of the federal
11 reserve discount rate quoted from the federal reserve bank in New York, New York, on the date of final
12 resolution, plus 4 percentage points, from the date of final resolution of the protest until refund is made.

13 (7) A taxing jurisdiction, except the state, may satisfy the requirements of this section by use of funds
14 from one or more of the following sources:

15 (a) imposition of a property tax to be collected by a special tax protest refund levy;

16 (b) the general fund or any other funds legally available to the governing body; and

17 (c) proceeds from the sale of bonds issued by a county, city, or school district for the purpose of deriving
18 revenue for the repayment of tax protests lost by the taxing jurisdiction. The governing body of a county, city,
19 or school district is authorized to issue the bonds pursuant to procedures established by law. The bonds may
20 be issued without being submitted to an election. Property taxes may be levied to amortize the bonds.

21 (8) (a) A taxpayer who requested an extension of time as provided in 15-2-302 and who is not entitled
22 to recover the full amount of the taxes paid under protest or who is not entitled to any refund as determined in
23 a final resolution of the protest action must be assessed a penalty on the amount not refunded as provided in
24 this subsection (8). The county treasurer shall assess a penalty on the amount not refunded to the taxpayer as
25 follows:

26 (i) If the taxpayer paid under protest an amount that is more than 40% greater than the amount of the
27 refund, including the amount refunded by the state but exclusive of interest due the taxpayer, the penalty is 3%
28 of the amount of protested taxes not refunded to the taxpayer.

29 (ii) If the taxpayer is not entitled to any refund on the amount of property taxes paid under protest, the
30 penalty is 4% of the amount of property taxes paid under protest.

1 (b) (i) Subject to subsections (8)(b)(ii) and (8)(b)(iii), the amount of the penalty determined in subsection
2 (8)(a) must be deducted from the amount of protested taxes refunded to the taxpayer.

3 (ii) If the penalty is greater than the refund, the county treasurer shall add the difference between the
4 penalty and refund to the next property tax installment that is due from the taxpayer under 15-16-102.

5 (iii) If the taxpayer is not entitled to a refund, the county treasurer shall add the amount of the penalty
6 to the next property tax installment that is due from the taxpayer under 15-16-102.

7 (c) The penalty, less an administrative fee commensurate with the costs actually incurred by the county
8 treasurer under this subsection (8), must be allocated in proportion to all mill levies assessed against the
9 property.

10 (9) If the department requested an extension of time as provided in 15-2-302 and the final decision is
11 adverse to the state and taxing jurisdictions, the taxpayer is entitled to an additional refund amount as provided
12 in this subsection. If the assessed value of the property as determined by the department is more than 40%
13 greater than the value determined in the final decision, the total amount of the refund, including the refund due
14 from taxing jurisdictions and from the state, to the taxpayer must be increased by 3%. The state treasurer shall
15 pay the additional refund amount on behalf of taxing jurisdictions and the state.

16 ~~(8)(10)~~ If the department revises an assessment that results in a refund of taxes of \$5 or less, a refund
17 is not owed."

18
19 **Section 3.** Section 15-2-301, MCA, is amended to read:

20 **"15-2-301. Appeal of county tax appeal board decisions.** (1) (a) The county tax appeal board shall
21 mail a copy of its decision to the taxpayer and to the property assessment division of the department of revenue.
22 If the appearance provisions of 15-15-103 have been complied with, a person or the department on behalf of
23 the state or any municipal corporation aggrieved by the action of the county tax appeal board may appeal to the
24 state board by filing with the state tax appeal board a notice of appeal within 30 calendar days after the receipt
25 of the decision of the county board. The notice must specify the action complained of and the reasons assigned
26 for the complaint.

27 ~~(b) Notice~~ The state tax appeal board shall give notice of acceptance or rejection of an appeal must be
28 given to the county tax appeal board, appellant, and respondent by the state tax appeal board within 15 calendar
29 days from the date of receipt of the appeal. The state board shall set the appeal for hearing either in its office
30 in the capital or the county seat as the board considers advisable to facilitate the performance of its duties or

1 to accommodate parties in interest. The board shall give to the appellant and to the respondent at least 15
2 calendar days' notice of the time and place of the hearing.

3 (2) At the time of giving notice of acceptance of an appeal, the state board may require the county board
4 to certify to it the minutes of the proceedings resulting in the action and all testimony taken in connection with
5 its proceedings. The state board may, in its discretion, determine the appeal on the record if all parties receive
6 a copy of the transcript and are permitted to submit additional sworn statements, or the state board may hear
7 further testimony. For the purpose of expediting its work, the state board may refer any appeal to one of its
8 members or to a designated hearings officer. The board member or hearings officer may exercise all the powers
9 of the board in conducting a hearing and shall, as soon as possible after the hearing, report the proceedings,
10 together with a transcript or a tape recording of the hearing, to the board. The state board shall determine the
11 appeal on the record. A determination of the appeal must be made within 90 120 calendar days after the hearing
12 OR COMPLETION OF THE TRANSCRIPT, WHICHEVER OCCURS LATER.

13 (3) On all hearings at county seats throughout the state, the state board or the member or hearings
14 officer designated to conduct a hearing may employ a competent person to electronically record the testimony
15 received. The cost of electronically recording testimony may be paid out of the general appropriation for the
16 board.

17 (4) In connection with any appeal under this section, the state board is not bound by common law and
18 statutory rules of evidence or rules of discovery and may affirm, reverse, or modify any decision. To the extent
19 that this section is in conflict with the Montana Administrative Procedure Act, this section supersedes that act.
20 The state tax appeal board may not amend or repeal any administrative rule of the department. The state tax
21 appeal board shall give an administrative rule full effect unless the board finds a rule arbitrary, capricious, or
22 otherwise unlawful.

23 (5) The decision of the state tax appeal board is final and binding upon all interested parties unless
24 reversed or modified by judicial review. Proceedings for judicial review of a decision of the state tax appeal board
25 under this section are subject to the provisions of 15-2-303 and the Montana Administrative Procedure Act to
26 the extent that it does not conflict with 15-2-303.

27 (6) Sections 15-6-134 and 15-7-111 may not be construed to prevent the department from implementing
28 an order to change the valuation of property."
29

30 **Section 4.** Section 15-2-302, MCA, is amended to read:

"15-2-302. Direct appeal from department decision to state tax appeal board -- hearing. (1) A

person may appeal to the state tax appeal board a final decision of the department of revenue involving:

(a) property centrally assessed under chapter 23;

~~(b) noncentrally assessed property under one ownership that is located in more than one county if the total assessed value of all property owned by the taxpayer exceeds \$5 million;~~

~~(B) PROPERTY THAT HAS BEEN CLASSIFIED AS INDUSTRIAL PROPERTY BY THE DEPARTMENT;~~

~~(c)~~ classification of property as new industrial property;

~~(e)(d)~~ any other tax, other than the property tax except as provided in subsection (1)(b), imposed under this title; or

~~(d)(e)~~ any other matter in which the appeal is provided by law.

(2) (a) Except as provided in subsection (2)(b), the appeal is made by filing a complaint with the board within 30 days following receipt of notice of the department's final decision. The complaint must set forth the grounds for relief and the nature of relief demanded. The board shall immediately transmit a copy of the complaint to the department and shall give notice of acceptance or rejection of the appeal to the appellant and the department within 15 calendar days from the date of receipt of the complaint.

(b) An appeal from the department's determination of whether wages earned by an unemployment insurance benefit claimant were properly reported to the department is initiated by filing a complaint with the board within 10 days following receipt of notice of the department's final determination. The board shall promptly mail a copy of the complaint to each interested party at the last-known address of each party.

(3) The department shall file with the board an answer within 30 days following filing of a complaint, or in cases involving a determination of whether wages earned by an unemployment insurance benefit claimant were properly reported to the department, any interested party, as defined in 15-30-257(1)(e), and the department may file an answer with the board within 10 days after receipt of a copy of the complaint filed with the board, and at that time mail a copy to the complainant. The answer must set forth the department's response to each ground for and type of relief demanded in the complaint.

(4) (a) ~~[(i) Except as provided in subsection (4)(b),]~~ the board shall conduct the appeal in accordance with the contested case provisions of the Montana Administrative Procedure Act.

~~[(ii) Except as provided in subsection (4)(b)(ii),]~~ the board shall make its final decision within ~~90~~ 120 days of the date of the hearing OR COMPLETION OF THE TRANSCRIPT, WHICHEVER OCCURS LATER.

(b) (i) In an appeal regarding the determination of whether wages earned by an unemployment

insurance claimant were properly reported to the department, the appeal must be conducted informally and may, in the discretion of the board, be conducted by telephone or other electronic means. The appeal is not a contested case under provisions of the Montana Administrative Procedure Act. The board, in conducting the hearing or making its decision, is not bound by the Montana Rules of Evidence.

(ii) The board shall make its final decision under subsection (4)(b)(i) within 45 days of the date the appeal is received by the board.

(5) (a) ~~Except as provided in subsection SUBSECTIONS (5)(b) AND (5)(c) and notwithstanding the provisions of subsection (5)(e), the board shall conduct the hearing on the appeal within 1 year from the time that the appeal is received by the board.~~

(b) The appellant or the department may request a 6-month extension of the hearing. The board may grant only one REQUEST FOR AN extension BY EACH PARTY for each appeal. If the decision of the board is determined adversely to the party requesting the extension, that party may be subject to the provisions of 15-1-402(8) or (9).

~~(c) Within 180 calendar days of the filing of the appeal, a party to the dispute may request mediation of the dispute. The other party shall respond within 15 calendar days either accepting or rejecting mediation. If both parties agree to mediation, the cost of mediation must be shared equally. Mediation of the dispute must be completed within 90 calendar days of the date that mediation is agreed upon. If mediation does not resolve the dispute, the board shall conduct the hearing by the times specified in subsection (5)(a) or (5)(b). The board shall make a decision within 90 calendar days of the hearing.~~

(C) THIS SUBSECTION (5) APPLIES ONLY TO APPEALS FILED BY OWNERS OF CENTRALLY ASSESSED PROPERTY AND OWNERS OF PROPERTY DESCRIBED IN SUBSECTION (1)(B).

(6) The decision of the ~~state tax appeal~~ board is final and binding upon all interested parties unless reversed or modified by judicial review. Proceedings for judicial review of a decision of the ~~state tax appeal~~ board under this section are subject to the provisions of 15-2-303 and the Montana Administrative Procedure Act to the extent that it does not conflict with 15-2-303."

Section 5. Section 15-2-304, MCA, is amended to read:

"15-2-304. Petition for interlocutory adjudication. (1) (a) Either party, within 30 ~~15~~ days of the filing of an answer to an appeal before the state tax appeal board, may file a petition for an interlocutory adjudication under 15-2-305. The petition may be filed with the district court:

~~——— (i) in the first judicial district;~~
~~——— (ii) in the county in which the taxable property is located; or~~
~~——— (iii) in cases not involving property taxes, in the county where the taxpayer resides or has his the~~
~~taxpayer's principal place of business in the state.~~
~~——— (b) The petition may raise any question involving procedure, the admissibility of evidence, or a~~
~~substantive question of law raised by the pleadings within 30 15 days of filing an answer to the appeal with the~~
~~state tax appeal board.~~
~~——— (c) A nonpetitioning party shall respond to the petition within 30 15 days after service of the petition. The~~
~~response may raise any question not raised in the petition involving procedure, the admissibility of evidence,~~
~~or a substantive question of law.~~
~~——— (2) After the 30-day 15-day period specified in subsection (1)(b) but before arguments have been heard,~~
~~the parties to the proceeding may jointly petition a district court to make an interlocutory adjudication as provided~~
~~under 15-2-305. A petition for an adjudication must be signed by each party to the proceeding.~~
~~——— (3) In a petition under subsection (1) or (2), one party must be designated as the petitioner and every~~
~~other party must be designated a respondent. The court may in its discretion grant a petition if it appears that~~
~~the issues presented involve procedure, the admissibility of evidence, or a substantive question of law and do~~
~~not require the determination of questions of fact and that the controversy would be more expeditiously resolved~~
~~by an adjudication. If the court grants a petition, it shall hold a hearing on the adjudication within 90 days after~~
~~receiving the nonpetitioning party's response to the petition. The court shall rule on all issues presented in the~~
~~petition and the response, regardless of whether a ruling on less than all of the issues is dispositive of the case."~~

SECTION 5. SECTION 15-15-101, MCA, IS AMENDED TO READ:

"15-15-101. County tax appeal board -- meetings and compensation. (1) The board of county commissioners of each county shall appoint a three-member county tax appeal board, with the members to serve staggered terms of 3 years each. The members of each county tax appeal board must be residents of the county in which they serve. The members receive compensation of \$45 a day and travel expenses, as provided for in 2-18-501 through 2-18-503, only when the county tax appeal board meets to hear taxpayers' appeals from property tax assessments or when they are attending meetings called by the state tax appeal board. Travel expenses and compensation must be paid from the appropriation to the state tax appeal board. Office space and equipment for the county tax appeal boards must be furnished by the county. All other incidental expenses

1 must be paid from the appropriation of the state tax appeal board.

2 (2) The county tax appeal board shall hold an organizational meeting each year on the date of its first
3 scheduled hearing, immediately before conducting the business for which the hearing was otherwise scheduled.
4 It shall continue in session from July 1 of the current tax year until December 31 of the current tax year to hear
5 protests concerning assessments made by the department until the business of hearing protests is disposed of
6 and, as provided in 15-2-201, may meet after December 31.

7 (3) In connection with an appeal, the county tax appeal board may change any assessment or fix the
8 assessment at some other level. Upon notification by the county tax appeal board, the county clerk and recorder
9 shall publish a notice to taxpayers, giving the time the county tax appeal board will be in session to hear
10 scheduled protests concerning assessments and the latest date the county tax appeal board may take
11 applications for the hearings. The notice must be published in a newspaper if any is printed in the county or, if
12 none, then in the manner that the county tax appeal board directs. The notice must be published by May 15 of
13 the current tax year.

14 (4) Challenges to a department rule governing the assessment of property or to an assessment
15 procedure apply only to the taxpayer bringing the challenge and may not apply to all similarly situated taxpayers
16 unless an action is brought in the district court as provided in 15-1-406.

17 (5) This chapter does not apply to centrally assessed property or to property that has been classified
18 as industrial property by the department."

19
20 COORDINATION SECTION. SECTION 6. COORDINATION INSTRUCTION. IF HOUSE BILL NO. 158 IS PASSED
21 AND APPROVED, THE BRACKETED LANGUAGE IN 15-2-302(4)(A) OF [THIS ACT] IS VOID.

22
23 NEW SECTION. Section 7. Effective date. [This act] is effective July 1, 2005.

24
25 NEW SECTION. Section 8. Applicability. [This act] applies to tax appeals ~~and to proceedings~~
26 ~~occurring~~ FILED after June 30, 2005.

27 - END -